affairs that prevailed when the plaintiff sought to dismiss.

When the District Court permitted plaintiff to dismiss and refused to award any attorneys' fees under 35 U.S.C. § 285, it, in the language of the Court of Appeals, made a decision as to what constitutes an exceptional case and exercised discretion against an award. Exceptional, as used in the statute, is well defined both by reason of its legislative history[1] and court decisions involving it[2]. The consensus of case law relative to the cited statute is that such issues as fraud on the Court, on the Patent Office, misuse of patents, violation of Federal statutes, unclean hands or other misuse of the process of the Court are "exceptional" within the meaning of the statute. Actually, in the face of evidence before it, it is impossible to see how the Court could consider that the defendant had not qualified this case as "exceptional" under 35 U.S.C. § 285, for the only evidence in the case supports the case as exceptional. Consequently, the District Court must have decided, on some basis not of record, to spare the

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[1] Report No. 1587, 79th Congress, 2d Session, House of Rep. Report No. 1503, 79th Congress, 2d Session, Senate.

Extractions from correspondence file of Senate Judiciary Committee re H.R. 5311, correspondence between Committee and: Raymond G. Mullee; Los Angeles Patent Law Assoc.; Administrative Office of the United States Courts; and Barnes Drill Company.

H.R. 5311 showing Senate amendments, Report No. 1503.

[2] Pennsylvania Crusher Co. et al. v. Bethelehem Steel Co. et al., 193 F. 2d 445 (CCA 3).

Kobe, Inc., et al. v. Dempsey Pump Co. et al., 97 F. Supp. 342 (DC ND Okla.) Affirmed CCA 10, 198 F. 2d 416, Cert. denied 344 U.S. 837.

Seismograph Service Corp. v. Offshore Raydist, Inc., 263 F. 2d 5 (CCA 5).

E. V. Prentice Co. v. Associated Plywood Mills, Inc., 113 F. Supp. 182 (DC D. Ore.).

plaintiff stigma of 35 U.S.C. § 285 in order to spare the plaintiff the burden of attorneys' fees. It is right at this point that the error of which Petitioner complains becomes apparent.

The District Court was understandably eager to promote a disposition of the case that would avoid trial. Yet if the District Court sought to be merciful to a dismissing plaintiff in order to encourage prompt disposition of the Court's business, there was available to it a procedure which would involve no compromise with principle or encouragement to those in violation of the public policies of the United States. This procedure is analogous to the suspended sentence technique of the criminal law—the accused is held guilty in accordance with the evidence but sentence is suspended to do mercy. Here, if the evidence shows that the case qualifies as "exceptional", surely the Court's ruling must be consistent with the evidence and the case *must* be held to be exceptional. However, the Court, bearing in mind the desirability of encouraging dismissals before trial as a way of facilitating the disposal of the Court's business, *may* decide to make the actual award small or even nominal. If this device had been followed the result desired by the District Court could have been accomplished without compromise of principle. Instead, the District Court in this case rendered a decision which is an open invitation to a patentee who is guilty of misuse of his patents contrary to the avowed public policy of the United States or violation of Federal statutes to bring suit, to subject the defendant to great expense, and then voluntarily to dismiss before trial and to rely upon the precedent of this case to avoid the penalty that Congress intended him to suffer.

In this case the defendant would, of course, like to recover its attorneys' fees on a restitution basis but the

more important purpose of this petition is to establish the principle that a United States District Court may not ignore the evidence before it and thereby lend its process to the aid of those who conduct their affairs in a manner contrary to the public policies of the United States as expressed by the Congress and the Courts. Lest the *de minimus* arguments regarding attorneys' fees which were used so successfully below be again employed to becloud the principle involved, petitioner here and now agrees to accept any award which the District Court may regard as "reasonable" including a nominal one so long as the case is determined to be "exceptional" within the meaning of 35 U.S.C. § 285 and in accordance with the evidence of record. While such a ruling is not fully satisfactory to the individual litigant it will prevent this case from remaining a precedent for ruling contrary to the evidence in a misguided attempt either to do mercy or to avoid establishing any penalty which would tend to discourage dismissals. If we are to maintain the integrity of our District Court system, the party who voluntarily dismisses with a *prima facie* "exceptional" case against him must be told that the Court cannot condone such conduct even though the judge has broad discretion in determining what is "reasonable" and, hence, may exercise such mercy as the case may, in his opinion, require.

CONCLUSION

For the foregoing reasons, it is respectfully urged that this petition be granted.

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